

1 limitations; providing for use of such
2 contributions for scholarships for students
3 attending certain failing schools to attend
4 nonpublic schools or public schools in adjacent
5 districts; providing requirements and
6 limitations with respect to scholarships;
7 providing for payment; establishing eligibility
8 for nonpublic school participation; providing
9 for administration by the Department of Revenue
10 and the Department of Education; providing for
11 rules; providing requirements for deposit of
12 eligible contributions; amending s. 213.053,
13 F.S.; conforming provisions to the creation of
14 the tax credit scholarship program for families
15 of students in failing schools; authorizing the
16 Department of Revenue to share certain tax
17 information with the Department of Education;
18 amending s. 220.02, F.S.; revising legislative
19 intent with respect to the order in which
20 corporate income tax credits are applied to
21 conform to the creation of the tax credit
22 scholarship program for families of students in
23 failing schools; amending s. 220.13, F.S.;
24 revising the definition of the term "adjusted
25 federal income" to account for the creation of
26 the tax credit scholarship program for families
27 of students in failing schools; providing for
28 the credit to be an addition to taxable income;
29 amending s. 220.701, F.S.; directing the
30 Department of Revenue to deposit moneys
31 received through the corporate income tax into

1 the Corporate Income Tax Trust Fund rather than
2 the General Revenue Fund; amending s. 1001.10,
3 F.S.; conforming provisions to the repeal of
4 the Opportunity Scholarship Program;
5 authorizing the Commissioner of Education to
6 prepare and publish reports related to
7 specified tax credit programs; repealing s.
8 1002.38, F.S., which authorizes the Opportunity
9 Scholarship Program; amending s. 1002.39, F.S.,
10 to conform to the repeal of the Opportunity
11 Scholarship Program; providing an effective
12 date.

13
14 WHEREAS, education is a fundamental value and a
15 paramount duty of the state, and

16 WHEREAS, the State Constitution requires the state to
17 provide for the free education of all children residing within
18 its borders, and

19 WHEREAS, the Florida Supreme Court held in *Bush v.*
20 *Holmes*, 2006 WL 20584 (Fla.), 31 Fla. L. Weekly S1, that the
21 state must provide a system of uniform, efficient, safe,
22 secure, and high-quality public schools to fulfill this
23 constitutional requirement, and

24 WHEREAS, the Florida Supreme Court invalidated the
25 Opportunity Scholarship Program because it allowed state funds
26 to be disbursed to private schools, and

27 WHEREAS, the Legislature created the Opportunity
28 Scholarship Program to ensure that all children have a chance
29 to gain the knowledge and skills they need to succeed, and
30

31

1 WHEREAS, the state is committed to improving the
2 quality of the education provided by the public school system,
3 and

4 WHEREAS, there are some public schools that continue to
5 fail to make adequate progress based on the school performance
6 grading categories established by law, and

7 WHEREAS, respecting the constitutional mandate cited by
8 the Florida Supreme Court, the Legislature intends for the
9 state to develop and implement a comprehensive strategic
10 program to facilitate the improvement of schools that are
11 failing to make adequate progress, and

12 WHEREAS, facilitating the improvement in the
13 performance of these schools is a multiyear endeavor, and
14 progress will occur over an extended period of time, and

15 WHEREAS, students assigned to schools that are failing
16 to make adequate progress should have the choice of attending
17 a higher-performing school while the state continues to
18 facilitate the improvement of these schools, and

19 WHEREAS, the Legislature intends to create a program to
20 provide an educational safety net to students assigned to
21 these schools, distinct from and without impeding the efforts
22 to help these schools improve, NOW, THEREFORE,

23
24 Be It Enacted by the Legislature of the State of Florida:

25
26 Section 1. Section 1008.3455, Florida Statutes, is
27 created to read:

28 1008.3455 Improvement program for schools failing to
29 make adequate progress.--

30 (1) It is the intent of the Legislature that the state
31 develop and implement a comprehensive strategic program to

1 facilitate the improvement of schools that are failing to make
2 adequate progress based on the school performance grading
3 categories established by law. The Legislature finds that
4 achieving meaningful and lasting progress in these schools
5 will take a number of years. Thus, it is the further intent of
6 the Legislature that the program developed under this section
7 include a multiyear design and implementation schedule, with
8 measurable goals and objectives for these schools.

9 (2) In coordination with the responsibilities
10 prescribed in s. 1008.345, the Commissioner of Education shall
11 develop and submit to the President of the Senate and the
12 Speaker of the House of Representatives, no later than
13 February 1, 2007, a multifaceted program of policies and
14 practices targeted specifically toward schools in the "F"
15 grade category under s. 1008.34.

16 (a) At a minimum, the program must include an
17 assessment of the extent to which new policies, or
18 enhancements to existing policies, in the following areas
19 would facilitate improvement at these schools:

- 20 1. Capital improvements to school facilities;
- 21 2. Salaries for teachers and staff;
- 22 3. Incentives for outstanding faculty and staff to
23 transfer to these schools;
- 24 4. Equipment and supplies;
- 25 5. Technology infrastructure, hardware, or software;
- 26 6. Incentives to encourage parental or other family
27 participation; and
- 28 7. Mentoring and other community participation.

29 (b) The program must include a suggested order of
30 priority and timeline for enacting, funding, and implementing
31 policies and practices over a 5-year period. The program

1 shall identify those elements of the program which can be
2 accomplished within existing statutory authority and those
3 elements that will require new statutory authority. The
4 program must include specific recommendations for action by
5 the Legislature.

6 (3)(a) To assist in development and implementation of
7 the program required by this section, the commissioner shall
8 create an advisory committee comprised of at least two
9 teachers, two staff persons, and two parents of students from
10 one or more schools that are failing to make adequate progress
11 based on the school performance grading categories, as well as
12 any other individuals the commissioner deems appropriate.

13 (b) In developing and implementing the program, the
14 commissioner shall consult with:

15 1. The Office of Program Policy Analysis and
16 Government Accountability; and

17 2. The district community assessment teams assigned
18 under s. 1008.345.

19 (4) The program shall be developed in coordination
20 with, and shall be consistent with, other strategic planning
21 initiatives of the Department of Education or the State Board
22 of Education.

23 (5) The commissioner shall report annually to the
24 Governor, the President of the Senate, and the Speaker of the
25 House of Representatives on implementation of the program.

26 Section 2. Section 220.187, Florida Statutes, is
27 amended to read:

28 220.187 Credits for contributions to nonprofit
29 scholarship-funding organizations; families that have limited
30 financial resources.--

31 (1) PURPOSE.--The purpose of this section is to:

1 (a) Encourage private, voluntary contributions to
2 nonprofit scholarship-funding organizations.

3 (b) Expand educational opportunities for children of
4 families that have limited financial resources.

5 (c) Enable children in this state to achieve a greater
6 level of excellence in their education.

7 (2) DEFINITIONS.--As used in this section, the term:

8 (a) "Department" means the Department of Revenue.

9 (b) "Eligible contribution" means a monetary
10 contribution from a taxpayer, subject to the restrictions
11 provided in this section, to an eligible nonprofit
12 scholarship-funding organization. The taxpayer making the
13 contribution may not designate a specific child as the
14 beneficiary of the contribution. The taxpayer may not
15 contribute more than \$5 million to any single eligible
16 nonprofit scholarship-funding organization.

17 (c) "Eligible nonpublic school" means a nonpublic
18 school located in Florida that offers an education to students
19 in any grades K-12 and that meets the requirements in
20 subsection (6).

21 (d) "Eligible nonprofit scholarship-funding
22 organization" means a charitable organization that is exempt
23 from federal income tax pursuant to s. 501(c)(3) of the
24 Internal Revenue Code and that complies with the provisions of
25 subsection (4). An eligible nonprofit scholarship-funding
26 organization that is authorized to provide scholarships under
27 s. 220.1875 may, subject to approval by the Department of
28 Education, be authorized to provide scholarships under this
29 section.

30 (e) "Qualified student" means:
31

1 ~~1.~~ A student who qualifies for free or reduced-price
2 school lunches under the National School Lunch Act and who:
3 ~~a.1.~~ Was counted as a full-time equivalent student
4 during the previous state fiscal year for purposes of state
5 per-student funding;

6 ~~b.2.~~ Received a scholarship from an eligible nonprofit
7 scholarship-funding organization during the previous school
8 year; or

9 ~~c.3.~~ Is eligible to enter kindergarten or first grade.

10 2. A student who does not qualify under subparagraph
11 1. but who received an opportunity scholarship under former s.
12 1002.38 during the final quarter of the 2005-2006 school year.
13 Students qualified under this subparagraph may receive
14 scholarships under this section until the scholarship program
15 under s. 220.1875 is fully implemented, subject to the
16 limitations provided in s. 220.1875(8).

17 (3) AUTHORIZATION TO GRANT SCHOLARSHIP FUNDING TAX
18 CREDITS; LIMITATIONS ON INDIVIDUAL AND TOTAL CREDITS.--

19 (a) There is allowed a credit of 100 percent of an
20 eligible contribution against any tax due for a taxable year
21 under this chapter. However, such a credit may not exceed 75
22 percent of the tax due under this chapter for the taxable
23 year, after the application of any other allowable credits by
24 the taxpayer. However, at least 5 percent of the total
25 statewide amount authorized for the tax credit shall be
26 reserved for taxpayers who meet the definition of a small
27 business provided in s. 288.703(1) at the time of application.
28 The credit granted by this section shall be reduced by the
29 difference between the amount of federal corporate income tax
30 taking into account the credit granted by this section and the
31

1 amount of federal corporate income tax without application of
2 the credit granted by this section.

3 (b) The total amount of tax credits and carryforward
4 of tax credits which may be granted each state fiscal year
5 under this section is \$88 million.

6 (c) A taxpayer who files a Florida consolidated return
7 as a member of an affiliated group pursuant to s. 220.131(1)
8 may be allowed the credit on a consolidated return basis;
9 however, the total credit taken by the affiliated group is
10 subject to the limitation established under paragraph (a).

11 (4) OBLIGATIONS OF ELIGIBLE NONPROFIT
12 SCHOLARSHIP-FUNDING ORGANIZATIONS.--

13 (a) An eligible nonprofit scholarship-funding
14 organization shall provide scholarships, from eligible
15 contributions, to qualified students for:

16 1. Tuition or textbook expenses for, or transportation
17 to, an eligible nonpublic school. At least 75 percent of the
18 scholarship funding must be used to pay tuition expenses; or

19 2. Transportation expenses to a Florida public school
20 that is located outside the district in which the student
21 resides.

22 (b) An eligible nonprofit scholarship-funding
23 organization shall give priority to qualified students who
24 received a scholarship from an eligible nonprofit
25 scholarship-funding organization during the previous school
26 year or who received an opportunity scholarship under former
27 s. 1002.38 during the final quarter of the 2005-2006 school
28 year.

29 (c) The amount of a scholarship provided to any child
30 for any single school year by all eligible nonprofit
31

1 scholarship-funding organizations from eligible contributions
2 shall not exceed the following annual limits:

3 1. Three thousand five hundred dollars for a
4 scholarship awarded to a student enrolled in an eligible
5 nonpublic school.

6 2. Five hundred dollars for a scholarship awarded to a
7 student enrolled in a Florida public school that is located
8 outside the district in which the student resides.

9 (d) The amount of an eligible contribution which may
10 be accepted by an eligible nonprofit scholarship-funding
11 organization is limited to the amount needed to provide
12 scholarships for qualified students which the organization has
13 identified and for which vacancies in eligible nonpublic
14 schools have been identified.

15 (e) An eligible nonprofit scholarship-funding
16 organization that receives an eligible contribution must spend
17 100 percent of the eligible contribution to provide
18 scholarships in the same state fiscal year in which the
19 contribution was received. No portion of eligible
20 contributions may be used for administrative expenses. All
21 interest accrued from contributions must be used for
22 scholarships.

23 (f) An eligible nonprofit scholarship-funding
24 organization that receives eligible contributions must provide
25 to the Auditor General an annual financial and compliance
26 audit of its accounts and records conducted by an independent
27 certified public accountant and in accordance with rules
28 adopted by the Auditor General.

29 (g) Payment of the scholarship by the eligible
30 nonprofit scholarship-funding organization shall be by
31 individual warrant or check made payable to the student's

1 parent. If the parent chooses for his or her child to attend
2 an eligible nonpublic school, the warrant or check must be
3 mailed by the eligible nonprofit scholarship-funding
4 organization to the nonpublic school of the parent's choice,
5 and the parent shall restrictively endorse the warrant or
6 check to the nonpublic school. An eligible nonprofit
7 scholarship-funding organization shall ensure that, upon
8 receipt of a scholarship warrant or check, the parent to whom
9 the warrant or check is made restrictively endorses the
10 warrant or check to the nonpublic school of the parent's
11 choice for deposit into the account of the nonpublic school.

12 (5) PARENT OBLIGATIONS.--As a condition for
13 scholarship payment pursuant to paragraph (4)(g), if the
14 parent chooses for his or her child to attend an eligible
15 nonpublic school, the parent must inform the child's school
16 district within 15 days after such decision.

17 (6) ELIGIBLE NONPUBLIC SCHOOL OBLIGATIONS.--An
18 eligible nonpublic school must:

19 (a) Demonstrate fiscal soundness by being in operation
20 for one school year or provide the Department of Education
21 with a statement by a certified public accountant confirming
22 that the nonpublic school desiring to participate is insured
23 and the owner or owners have sufficient capital or credit to
24 operate the school for the upcoming year serving the number of
25 students anticipated with expected revenues from tuition and
26 other sources that may be reasonably expected. In lieu of such
27 a statement, a surety bond or letter of credit for the amount
28 equal to the scholarship funds for any quarter may be filed
29 with the department.

30 (b) Comply with the antidiscrimination provisions of
31 42 U.S.C. s. 2000d.

1 (c) Meet state and local health and safety laws and
2 codes.

3 (d) Comply with all state laws relating to general
4 regulation of nonpublic schools.

5 (7) ADMINISTRATION; RULES.--

6 (a) If the credit granted pursuant to this section is
7 not fully used in any one year because of insufficient tax
8 liability on the part of the corporation, the unused amount
9 may be carried forward for a period not to exceed 3 years;
10 however, any taxpayer that seeks to carry forward an unused
11 amount of tax credit must submit an application for allocation
12 of tax credits or carryforward credits as required in
13 paragraph (d) in the year that the taxpayer intends to use the
14 carryforward. The total amount of tax credits and carryforward
15 of tax credits granted each state fiscal year under this
16 section is \$88 million. This carryforward applies to all
17 approved contributions made after January 1, 2002. A taxpayer
18 may not convey, assign, or transfer the credit authorized by
19 this section to another entity unless all of the assets of the
20 taxpayer are conveyed, assigned, or transferred in the same
21 transaction.

22 (b) An application for a tax credit pursuant to this
23 section shall be submitted to the department on forms
24 established by rule of the department.

25 (c) The department and the Department of Education
26 shall develop a cooperative agreement to assist in the
27 administration of this section. The Department of Education
28 shall be responsible for annually submitting, by March 15, to
29 the department a list of eligible nonprofit
30 scholarship-funding organizations that meet the requirements
31 of paragraph (2)(d) and for monitoring eligibility of

1 nonprofit scholarship-funding organizations that meet the
2 requirements of paragraph (2)(d), eligibility of nonpublic
3 schools that meet the requirements of paragraph (2)(c), and
4 eligibility of expenditures under this section as provided in
5 subsection (4).

6 (d) The department shall adopt rules necessary to
7 administer this section, including rules establishing
8 application forms and procedures and governing the allocation
9 of tax credits and carryforward credits under this section on
10 a first-come, first-served basis.

11 (e) The Department of Education shall adopt rules
12 necessary to determine eligibility of nonprofit
13 scholarship-funding organizations as defined in paragraph
14 (2)(d) and according to the provisions of subsection (4) and
15 identify qualified students as defined in paragraph (2)(e).

16 (8) DEPOSITS OF ELIGIBLE CONTRIBUTIONS.--

17 (a) All eligible contributions received by an eligible
18 nonprofit scholarship-funding organization shall be deposited
19 in a manner consistent with s. 17.57(2).

20 (b) A nonprofit scholarship-funding organization that
21 is authorized to receive donations and distribute scholarships
22 under this section and s. 220.1875 shall account for donations
23 and scholarships separately by each tax credit program. If, in
24 a single fiscal year, the amount of donations available for
25 distribution as scholarships in one program exceeds the demand
26 for scholarships under that program for that fiscal year, the
27 organization may, with approval from the Department of
28 Education, apply those surplus funds to meet demand in the
29 other program.

30 Section 3. Section 220.1875, Florida Statutes, is
31 created to read:

1 220.1875 Credits for contributions to nonprofit
2 scholarship-funding organizations; families of students
3 attending schools failing to make adequate progress.--

4 (1) PURPOSE.--The purpose of this section is to:

5 (a) Ensure that, while the state is implementing a
6 multiyear, comprehensive strategic program to facilitate the
7 improvement of schools that are failing to make adequate
8 progress based on school performance grading categories,
9 students attending failing schools are not denied the
10 opportunity to gain the knowledge and skills necessary for
11 postsecondary education, a career education, or the world of
12 work.

13 (b) Enable the state to fulfill the responsibility, as
14 articulated by voters in 1998 through an amendment to s. 1,
15 Art. IX of the State Constitution, to make education a
16 paramount duty of the state.

17 (c) Complement the constitutional requirement to
18 provide a uniform, efficient, safe, secure, and high-quality
19 system of free public schools by providing educational
20 opportunities to students attending failing public schools
21 without impeding the ability of those schools to improve.

22 (d) Encourage private, voluntary contributions to
23 nonprofit scholarship-funding organizations.

24 (2) DEFINITIONS.--As used in this section, the term:

25 (a) "Department" means the Department of Revenue.

26 (b) "Eligible contribution" means a monetary
27 contribution from a taxpayer, subject to the restrictions
28 provided in this section, to an eligible nonprofit
29 scholarship-funding organization. The taxpayer making the
30 contribution may not designate a specific child as the
31 beneficiary of the contribution. The taxpayer may not

1 contribute more than \$5 million to any single eligible
2 nonprofit scholarship-funding organization.

3 (c) "Eligible nonpublic school" means a nonpublic
4 school located in Florida which offers an education to
5 students in any grades K-12 and meets the requirements in
6 subsection (9).

7 (d) "Eligible nonprofit scholarship-funding
8 organization" means a charitable organization as defined in s.
9 220.187(2)(d) which is exempt from federal income tax pursuant
10 to s. 501(c)(3) of the Internal Revenue Code and complies with
11 the provisions of subsection (5). An eligible nonprofit
12 scholarship-funding organization that is authorized to provide
13 scholarships under s. 220.187 may, subject to approval by the
14 Department of Education, be authorized to provide scholarships
15 under this section.

16 (e) "Qualified student" means a student who:

17 1. Has spent the prior school year in attendance at a
18 public school that has been designated under s. 1008.34 as
19 performance grade category "F," failing to make adequate
20 progress, and that has had 2 school years in a 4-year period
21 of such low performance, and the student's attendance occurred
22 during a school year in which such designation was in effect;

23 2. Has been in attendance elsewhere in the public
24 school system and has been assigned to such school for the
25 next school year; or

26 3. Is entering kindergarten or first grade and has
27 been notified that the student has been assigned to such
28 school for the next school year.

29
30 The provisions of this section do not apply to a student who
31 is enrolled in a school operating for the purpose of providing

1 educational services to youth in commitment programs of the
2 Department of Juvenile Justice.

3 (3) SCHOOL DISTRICT OBLIGATIONS.--

4 (a) A school district shall, for each student enrolled
5 in or assigned to a school which has been designated as
6 performance grade category "F" for 2 school years in a 4-year
7 period:

8 1. Timely notify the parent of the student as soon as
9 such designation is made of all options available pursuant to
10 this section;

11 2. Offer that student's parent an opportunity to
12 enroll the student in another public school within the
13 district which has been designated by the state pursuant to s.
14 1008.34 as a school performing higher than the school in which
15 the student is currently enrolled or to which the student has
16 been assigned, but not less than performance grade category
17 "C"; and

18 3. Inform that student's parent of the child's
19 eligibility to receive a scholarship under this section to
20 enroll the student in and transport the student to attend a
21 public school outside the district which has been designated
22 by the state pursuant to s. 1008.34 as a school performing
23 higher than that in which the student is currently enrolled or
24 to which the student has been assigned, but not less than
25 performance grade category "C," or to attend an eligible
26 nonpublic school.

27 (b) A higher-performing public school that has
28 available space in an adjacent school district shall accept
29 students qualified under this section and report the students
30 for purposes of the district's funding pursuant to the Florida
31 Education Finance Program.

1 (c) For students in the school district who are
2 attending nonpublic schools under this section, the school
3 district shall provide locations and times to take all
4 statewide assessments required pursuant to s. 1008.22.

5 (d) Students with disabilities who are eligible to
6 receive services from the school district under federal or
7 state law, and who receive a scholarship under this section,
8 remain eligible to receive services from the school district
9 as provided by federal or state law.

10 (4) AUTHORIZATION TO GRANT SCHOLARSHIP FUNDING TAX
11 CREDITS; LIMITATIONS ON INDIVIDUAL AND TOTAL CREDITS.--

12 (a) There is allowed a credit of 100 percent of an
13 eligible contribution against any tax due for a taxable year
14 under this chapter. However, such a credit may not exceed 75
15 percent of the tax due under this chapter for the taxable
16 year, after the application of any other allowable credits by
17 the taxpayer. However, at least 5 percent of the total
18 statewide amount authorized for the tax credit shall be
19 reserved for taxpayers who meet the definition of a small
20 business provided in s. 288.703(1) at the time of application.
21 The credit granted by this section shall be reduced by the
22 difference between the amount of federal corporate income tax,
23 taking into account the credit granted by this section, and
24 the amount of federal corporate income tax without application
25 of the credit granted by this section.

26 (b) The total amount of tax credits and carryforward
27 of tax credits which may be granted each state fiscal year
28 under this section is \$5 million.

29 (c) A taxpayer who files a Florida consolidated return
30 as a member of an affiliated group pursuant to s. 220.131(1)
31 may be allowed the credit on a consolidated return basis;

1 however, the total credit taken by the affiliated group is
2 subject to the limitation established under paragraph (a).

3 (5) OBLIGATIONS OF ELIGIBLE NONPROFIT

4 SCHOLARSHIP-FUNDING ORGANIZATIONS.--

5 (a) An eligible nonprofit scholarship-funding
6 organization shall provide scholarships, from eligible
7 contributions, to qualified students for:

8 1. Tuition and fees for a qualified student enrolled
9 in an eligible nonpublic school.

10 2. Transportation expenses to a Florida public school
11 that is located outside the district in which the qualified
12 student resides.

13 (b) For continuity of educational choice, an eligible
14 nonprofit scholarship-funding organization shall give priority
15 to qualified students who received a scholarship to attend an
16 eligible nonpublic school during the previous school year.

17 (c) The amount of a scholarship provided to any
18 qualified student for any single school year by all eligible
19 nonprofit scholarship-funding organizations from eligible
20 contributions may not exceed the following annual limits:

21 1. For qualified students who choose to attend an
22 eligible nonpublic school, the lesser of:

23 a. The student's tuition and fees to attend an
24 eligible nonpublic school; or

25 b. A calculated amount equivalent to the base student
26 allocation in the Florida Education Finance Program multiplied
27 by the appropriate cost factor for the educational program
28 that will be provided for the student in the district school
29 to which he or she is assigned, multiplied by the district
30 cost differential. In addition, the calculated amount shall
31

1 include the per-student share of instructional materials
2 funds, technology funds, and other categorical funds.

3 2. For qualified students who choose to attend a
4 higher-performing public school that is located outside the
5 district in which the student resides, \$500.

6 (d) The amount of an eligible contribution which may
7 be accepted by an eligible nonprofit scholarship-funding
8 organization is limited to the amount needed to provide
9 scholarships for qualified students which the organization has
10 identified and for which vacancies in eligible nonpublic
11 schools have been identified.

12 (e) An eligible nonprofit scholarship-funding
13 organization that receives an eligible contribution must spend
14 100 percent of the eligible contribution to provide
15 scholarships in the same state fiscal year in which the
16 contribution was received. No portion of eligible
17 contributions may be used for administrative expenses. All
18 interest accrued from contributions must be used for
19 scholarships.

20 (f) An eligible nonprofit scholarship-funding
21 organization that receives eligible contributions must provide
22 to the Auditor General an annual financial and compliance
23 audit of its accounts and records conducted by an independent
24 certified public accountant and in accordance with rules
25 adopted by the Auditor General.

26 (g) Payment of the scholarship by the eligible
27 nonprofit scholarship-funding organization shall be by
28 individual warrant or check made payable to the student's
29 parent. If the parent chooses for his or her child to attend
30 an eligible nonpublic school, the warrant or check must be
31 mailed by the eligible nonprofit scholarship-funding

1 organization to the nonpublic school of the parent's choice,
2 and the parent shall restrictively endorse the warrant or
3 check to the nonpublic school. An eligible nonprofit
4 scholarship-funding organization shall ensure that, upon
5 receipt of a scholarship warrant or check, the parent to whom
6 the warrant or check is made restrictively endorses the
7 warrant or check to the nonpublic school of the parent's
8 choice for deposit into the account of the nonpublic school.

9 (6) PARENT OBLIGATIONS.--As a condition for
10 scholarship payment pursuant to paragraph (5)(g), if the
11 parent chooses for his or her child to attend an eligible
12 nonpublic school, the parent must:

13 (a) Obtain acceptance for admission of the student to
14 an eligible nonpublic school and inform the child's school
15 district within 15 days after receiving acceptance;

16 (b) Comply fully with the nonpublic school's
17 parental-involvement requirements, unless excused by the
18 school for illness or other good cause; and

19 (c) Ensure that the student receiving a scholarship
20 under this section takes all statewide assessments required
21 pursuant to s. 1008.22.

22 (7) STUDENT OBLIGATIONS.--As a condition for
23 scholarship payment pursuant to paragraph (5)(g), if the
24 parent chooses for his or her child to attend an eligible
25 nonpublic school, the student must remain in attendance
26 throughout the school year, unless excused by the school for
27 illness or other good cause, and must comply fully with the
28 school's code of conduct.

29 (8) DURATION OF SCHOLARSHIP.--

30 (a) For purposes of continuity of educational choice,
31 a scholarship granted under this section shall remain in force

1 until the student returns to the public school to which the
2 student was originally assigned, or:

3 1. If the student is in grades kindergarten through
4 five, until the student matriculates to the sixth grade and
5 the public middle school to which the student is assigned is
6 an accredited school that has a performance grade category
7 designation of "C" or better;

8 2. If the student is in grades six through eight,
9 until the student matriculates to high school and the public
10 high school to which the student is assigned is an accredited
11 school that has a performance grade category designation of
12 "C" or better.

13
14 At any time upon reasonable notice to the Department of
15 Education and the school district, the student's parent may
16 remove the student from the nonpublic school and place the
17 student in a public school, as provided in subparagraph
18 (3)(a)2.

19 (b) A school from which a student transfers using a
20 scholarship under this section may continue to report the
21 student for the purpose of the district's funding pursuant to
22 the Florida Education Finance Program for the remainder of the
23 period during which the student would have attended that
24 school. The district shall provide the funding associated
25 with that student directly to the respective public school.
26 The school may not report the student under this paragraph
27 beyond the period after which the student would have
28 matriculated to another school.

29 (9) ELIGIBLE NONPUBLIC SCHOOL OBLIGATIONS.--An
30 eligible nonpublic school must:

31

1 (a) Demonstrate fiscal soundness by being in operation
2 for 1 school year or provide the Department of Education with
3 a statement by a certified public accountant confirming that
4 the nonpublic school desiring to participate is insured and
5 the owner or owners have sufficient capital or credit to
6 operate the school for the upcoming year serving the number of
7 students anticipated with expected revenues from tuition and
8 other sources which may be reasonably expected. In lieu of
9 such a statement, a surety bond or letter of credit for the
10 amount equal to the scholarship funds for any quarter may be
11 filed with the department.

12 (b) Notify the Department of Education, the school
13 district in whose service area the school is located, and all
14 eligible nonprofit scholarship funding organizations of its
15 intent to participate in the program under this section by May
16 1 of the school year preceding the school year in which it
17 intends to participate. The notice must specify the grade
18 levels and services that the private school has available for
19 qualified students under this section.

20 (c) Comply with the antidiscrimination provisions of
21 42 U.S.C. s. 2000d.

22 (d) Meet state and local health and safety laws and
23 codes.

24 (e) Comply with all state laws relating to general
25 regulation of nonpublic schools.

26 (f) Accept scholarship students on an entirely random
27 and religious-neutral basis without regard to the student's
28 past academic history; however, the nonpublic school may give
29 preference in accepting applications to siblings of students
30 who have already been accepted on a random and
31 religious-neutral basis.

1 (g) Be subject to the instruction, curriculum, and
2 attendance criteria adopted by an appropriate nonpublic school
3 accrediting body and be academically accountable to the parent
4 for meeting the educational needs of the student. The
5 nonpublic school must furnish a school profile that includes
6 student performance.

7 (h) Employ or contract with teachers who hold a
8 baccalaureate or higher degree, have at least 3 years of
9 teaching experience in public or private schools, or have
10 special skills, knowledge, or expertise that qualifies them to
11 provide instruction in subjects taught.

12 (i) Comply with all state statutes relating to private
13 schools.

14 (j) Accept as full tuition and fees the amount
15 provided by the state nonprofit scholarship-funding
16 organization for each student.

17 (k) Agree not to compel any student attending the
18 private school under this section to profess a specific
19 ideological belief, to pray, or to worship.

20 (l) Adhere to the tenets of its published disciplinary
21 procedures prior to the expulsion of any student attending the
22 private school under this section.

23 (10) ADMINISTRATION; RULES.--

24 (a) If the credit granted pursuant to this section is
25 not fully used in any one year because of insufficient tax
26 liability on the part of the corporation, the unused amount
27 may be carried forward for a period not to exceed 3 years;
28 however, any taxpayer that seeks to carry forward an unused
29 amount of tax credit must submit an application for allocation
30 of tax credits or carryforward credits as required in
31 paragraph (d) in the year that the taxpayer intends to use the

1 carryforward. The total amount of tax credits and carryforward
2 of tax credits granted each state fiscal year under this
3 section is \$5 million. A taxpayer may not convey, assign, or
4 transfer the credit authorized by this section to another
5 entity unless all of the assets of the taxpayer are conveyed,
6 assigned, or transferred in the same transaction.

7 (b) An application for a tax credit pursuant to this
8 section shall be submitted to the department on forms
9 established by rule of the department.

10 (c) The department and the Department of Education
11 shall develop a cooperative agreement to assist in the
12 administration of this section. The Department of Education
13 shall be responsible for annually submitting, by March 15, to
14 the department a list of eligible nonprofit
15 scholarship-funding organizations that meet the requirements
16 of paragraph (2)(d) and for monitoring eligibility of
17 nonprofit scholarship-funding organizations that meet the
18 requirements of paragraph (2)(d), eligibility of nonpublic
19 schools that meet the requirements of paragraph (2)(c), and
20 eligibility of expenditures under this section as provided in
21 subsection (5).

22 (d) The department shall adopt rules pursuant to ss.
23 120.536(1) and 120.54 as necessary to administer this section,
24 including rules establishing application forms and procedures
25 and governing the allocation of tax credits and carryforward
26 credits under this section on a first-come, first-served
27 basis.

28 (e) The Department of Education shall adopt rules
29 pursuant to ss. 120.536(1) and 120.54 as necessary to
30 determine the eligibility of nonprofit scholarship-funding
31 organizations as defined in paragraph (2)(d) and according to

1 the provisions of subsection (5) and identify qualified
2 students as defined in paragraph (2)(e).

3 (11) DEPOSITS OF ELIGIBLE CONTRIBUTIONS.--

4 (a) All eligible contributions received by an eligible
5 nonprofit scholarship-funding organization shall be deposited
6 in a manner consistent with s. 17.57(2).

7 (b) A nonprofit scholarship-funding organization that
8 is authorized to receive donations and distribute scholarships
9 under this section and s. 220.187 shall account for donations
10 and scholarships separately by each tax credit program. If,
11 in a single fiscal year, the amount of donations available for
12 distribution as scholarships in one program exceeds the demand
13 for scholarships under that program for that fiscal year, the
14 organization may, with approval from the Department of
15 Education, apply those surplus funds to meet demand in the
16 other program.

17 Section 4. Paragraph (y) is added to subsection (7) of
18 section 213.053, Florida Statutes, to read:

19 213.053 Confidentiality and information sharing.--

20 (7) Notwithstanding any other provision of this
21 section, the department may provide:

22 (y) Information relative to s. 220.1875 to the
23 Department of Education in the conduct of its official
24 business.

25
26 Disclosure of information under this subsection shall be
27 pursuant to a written agreement between the executive director
28 and the agency. Such agencies, governmental or
29 nongovernmental, shall be bound by the same requirements of
30 confidentiality as the Department of Revenue. Breach of
31

1 confidentiality is a misdemeanor of the first degree,
2 punishable as provided by s. 775.082 or s. 775.083.

3 Section 5. Subsection (8) of section 220.02, Florida
4 Statutes, is amended to read:

5 220.02 Legislative intent.--

6 (8) It is the intent of the Legislature that credits
7 against either the corporate income tax or the franchise tax
8 be applied in the following order: those enumerated in s.
9 631.828, those enumerated in s. 220.191, those enumerated in
10 s. 220.181, those enumerated in s. 220.183, those enumerated
11 in s. 220.182, those enumerated in s. 220.1895, those
12 enumerated in s. 221.02, those enumerated in s. 220.184, those
13 enumerated in s. 220.186, those enumerated in s. 220.1845,
14 those enumerated in s. 220.19, those enumerated in s. 220.185,
15 ~~and~~ those enumerated in s. 220.187, and those enumerated in s.
16 220.1875.

17 Section 6. Paragraph (a) of subsection (1) of section
18 220.13, Florida Statutes, is amended to read:

19 220.13 "Adjusted federal income" defined.--

20 (1) The term "adjusted federal income" means an amount
21 equal to the taxpayer's taxable income as defined in
22 subsection (2), or such taxable income of more than one
23 taxpayer as provided in s. 220.131, for the taxable year,
24 adjusted as follows:

25 (a) Additions.--There shall be added to such taxable
26 income:

27 1. The amount of any tax upon or measured by income,
28 excluding taxes based on gross receipts or revenues, paid or
29 accrued as a liability to the District of Columbia or any
30 state of the United States which is deductible from gross
31

1 income in the computation of taxable income for the taxable
2 year.

3 2. The amount of interest which is excluded from
4 taxable income under s. 103(a) of the Internal Revenue Code or
5 any other federal law, less the associated expenses disallowed
6 in the computation of taxable income under s. 265 of the
7 Internal Revenue Code or any other law, excluding 60 percent
8 of any amounts included in alternative minimum taxable income,
9 as defined in s. 55(b)(2) of the Internal Revenue Code, if the
10 taxpayer pays tax under s. 220.11(3).

11 3. In the case of a regulated investment company or
12 real estate investment trust, an amount equal to the excess of
13 the net long-term capital gain for the taxable year over the
14 amount of the capital gain dividends attributable to the
15 taxable year.

16 4. That portion of the wages or salaries paid or
17 incurred for the taxable year which is equal to the amount of
18 the credit allowable for the taxable year under s. 220.181.
19 The provisions of this subparagraph shall expire and be void
20 on June 30, 2005.

21 5. That portion of the ad valorem school taxes paid or
22 incurred for the taxable year which is equal to the amount of
23 the credit allowable for the taxable year under s. 220.182.
24 The provisions of this subparagraph shall expire and be void
25 on June 30, 2005.

26 6. The amount of emergency excise tax paid or accrued
27 as a liability to this state under chapter 221 which tax is
28 deductible from gross income in the computation of taxable
29 income for the taxable year.

30
31

1 7. That portion of assessments to fund a guaranty
2 association incurred for the taxable year which is equal to
3 the amount of the credit allowable for the taxable year.

4 8. In the case of a nonprofit corporation which holds
5 a pari-mutuel permit and which is exempt from federal income
6 tax as a farmers' cooperative, an amount equal to the excess
7 of the gross income attributable to the pari-mutuel operations
8 over the attributable expenses for the taxable year.

9 9. The amount taken as a credit for the taxable year
10 under s. 220.1895.

11 10. Up to nine percent of the eligible basis of any
12 designated project which is equal to the credit allowable for
13 the taxable year under s. 220.185.

14 11. The amount taken as a credit for the taxable year
15 under s. 220.187.

16 12. The amount taken as a credit for the taxable year
17 under s. 220.1875.

18 Section 7. Section 220.701, Florida Statutes, is
19 amended to read:

20 220.701 Collection authority.--The department shall
21 collect the taxes imposed by this chapter and shall pay all
22 moneys received by it into the Corporate Income Tax Trust Fund
23 created under s. 220.7015 ~~General Revenue Fund of the state.~~

24 Section 8. Subsection (13) of section 1001.10, Florida
25 Statutes, is amended to read:

26 1001.10 Commissioner of Education; general powers and
27 duties.--The Commissioner of Education is the chief
28 educational officer of the state, and is responsible for
29 giving full assistance to the State Board of Education in
30 enforcing compliance with the mission and goals of the
31 seamless K-20 education system. To facilitate innovative

1 | practices and to allow local selection of educational methods,
2 | the State Board of Education may authorize the commissioner to
3 | waive, upon the request of a district school board, State
4 | Board of Education rules that relate to district school
5 | instruction and school operations, except those rules
6 | pertaining to civil rights, and student health, safety, and
7 | welfare. The Commissioner of Education is not authorized to
8 | grant waivers for any provisions in rule pertaining to the
9 | allocation and appropriation of state and local funds for
10 | public education; the election, compensation, and organization
11 | of school board members and superintendents; graduation and
12 | state accountability standards; financial reporting
13 | requirements; reporting of out-of-field teaching assignments
14 | under s. 1012.42; public meetings; public records; or due
15 | process hearings governed by chapter 120. No later than
16 | January 1 of each year, the commissioner shall report to the
17 | Legislature and the State Board of Education all approved
18 | waiver requests in the preceding year. Additionally, the
19 | commissioner has the following general powers and duties:

20 | (13) To prepare and publish annually reports giving
21 | statistics and other useful information pertaining to the tax
22 | credit programs under ss. 220.187 and 220.1875 Opportunity
23 | Scholarship Program.

24 |
25 | The commissioner's office shall operate all statewide
26 | functions necessary to support the State Board of Education
27 | and the K-20 education system, including strategic planning
28 | and budget development, general administration, and assessment
29 | and accountability.

30 | Section 9. Section 1002.38, Florida Statutes, is
31 | repealed.

1 Section 10. Section 1002.39, Florida Statutes, is
2 amended to read:

3 1002.39 The John M. McKay Scholarships for Students
4 with Disabilities Program.--There is established a program
5 that is ~~separate and distinct from the Opportunity Scholarship~~
6 ~~Program and is~~ named the John M. McKay Scholarships for
7 Students with Disabilities Program, pursuant to this section.

8 (1) THE JOHN M. MCKAY SCHOLARSHIPS FOR STUDENTS WITH
9 DISABILITIES PROGRAM.--The John M. McKay Scholarships for
10 Students with Disabilities Program is established to provide
11 the option to attend a public school other than the one to
12 which assigned, or to provide a scholarship to a private
13 school of choice, for students with disabilities for whom an
14 individual education plan has been written in accordance with
15 rules of the State Board of Education. Students with
16 disabilities include K-12 students who are mentally
17 handicapped, speech and language impaired, deaf or hard of
18 hearing, visually impaired, dual sensory impaired, physically
19 impaired, emotionally handicapped, specific learning disabled,
20 hospitalized or homebound, or autistic.

21 (2) SCHOLARSHIP ELIGIBILITY.--The parent of a public
22 school student with a disability who is dissatisfied with the
23 student's progress may request and receive from the state a
24 John M. McKay Scholarship for the child to enroll in and
25 attend a private school in accordance with this section if:

26 (a) By assigned school attendance area or by special
27 assignment, the student has spent the prior school year in
28 attendance at a Florida public school. Prior school year in
29 attendance means that the student was enrolled and reported by
30 a school district for funding during the preceding October and
31 February Florida Education Finance Program surveys in

1 kindergarten through grade 12. However, this paragraph does
2 not apply to a dependent child of a member of the United
3 States Armed Forces who transfers to a school in this state
4 from out of state or from a foreign country pursuant to a
5 parent's permanent change of station orders. A dependent child
6 of a member of the United States Armed Forces who transfers to
7 a school in this state from out of state or from a foreign
8 country pursuant to a parent's permanent change of station
9 orders must meet all other eligibility requirements to
10 participate in the program.

11 (b) The parent has obtained acceptance for admission
12 of the student to a private school that is eligible for the
13 program under subsection (4) and has notified the school
14 district of the request for a scholarship at least 60 days
15 prior to the date of the first scholarship payment. The
16 parental notification must be through a communication directly
17 to the district or through the Department of Education to the
18 district in a manner that creates a written or electronic
19 record of the notification and the date of receipt of the
20 notification.

21
22 This section does not apply to a student who is enrolled in a
23 school operating for the purpose of providing educational
24 services to youth in Department of Juvenile Justice commitment
25 programs. For purposes of continuity of educational choice,
26 the scholarship shall remain in force until the student
27 returns to a public school or graduates from high school.
28 However, at any time, the student's parent may remove the
29 student from the private school and place the student in
30 another private school that is eligible for the program under
31

1 subsection (4) or in a public school as provided in subsection
2 (3).

3 (3) SCHOOL DISTRICT AND DEPARTMENT OF EDUCATION
4 OBLIGATIONS.--

5 (a) A school district shall timely notify the parent
6 of the student of all options available pursuant to this
7 section and offer that student's parent an opportunity to
8 enroll the student in another public school within the
9 district. The parent is not required to accept this offer in
10 lieu of requesting a John M. McKay Scholarship to a private
11 school. However, if the parent chooses the public school
12 option, the student may continue attending a public school
13 chosen by the parent until the student graduates from high
14 school. If the parent chooses a public school consistent with
15 the district school board's choice plan under s. 1002.31, the
16 school district shall provide transportation to the public
17 school selected by the parent. The parent is responsible to
18 provide transportation to a public school chosen that is not
19 consistent with the district school board's choice plan under
20 s. 1002.31.

21 (b) For a student with disabilities who does not have
22 a matrix of services under s. 1011.62(1)(e), the school
23 district must complete a matrix that assigns the student to
24 one of the levels of service as they existed prior to the
25 2000-2001 school year. The school district must complete the
26 matrix of services for any student who is participating in the
27 John M. McKay Scholarships for Students with Disabilities
28 Program and must notify the Department of Education of the
29 student's matrix level within 30 days after receiving
30 notification by the student's parent of intent to participate
31 in the scholarship program. The Department of Education shall

1 | notify the private school of the amount of the scholarship
2 | within 10 days after receiving the school district's
3 | notification of the student's matrix level. Within 10 school
4 | days after it receives notification of a parent's intent to
5 | apply for a McKay Scholarship, a district school board must
6 | notify the student's parent if the matrix has not been
7 | completed and provide the parent with the date for completion
8 | of the matrix required in this paragraph.

9 | (c) If the parent chooses the private school option
10 | and the student is accepted by the private school pending the
11 | availability of a space for the student, the parent of the
12 | student must notify the school district 60 days prior to the
13 | first scholarship payment and before entering the private
14 | school in order to be eligible for the scholarship when a
15 | space becomes available for the student in the private school.

16 | (d) The parent of a student may choose, as an
17 | alternative, to enroll the student in and transport the
18 | student to a public school in an adjacent school district
19 | which has available space and has a program with the services
20 | agreed to in the student's individual education plan already
21 | in place, and that school district shall accept the student
22 | and report the student for purposes of the district's funding
23 | pursuant to the Florida Education Finance Program.

24 | (e) For a student in the district who participates in
25 | the John M. McKay Scholarships for Students with Disabilities
26 | Program whose parent requests that the student take the
27 | statewide assessments under s. 1008.22, the district shall
28 | provide locations and times to take all statewide assessments.

29 | (f) A school district must notify the Department of
30 | Education within 10 days after it receives notification of a
31 | parent's intent to apply for a scholarship for a student with

1 a disability. A school district must provide the student's
2 parent with the student's matrix level within 10 school days
3 after its completion.

4 (4) PRIVATE SCHOOL ELIGIBILITY.--To be eligible to
5 participate in the John M. McKay Scholarships for Students
6 with Disabilities Program, a private school must be a Florida
7 private school, may be sectarian or nonsectarian, and must:

8 (a) Demonstrate fiscal soundness by being in operation
9 for 1 school year or provide the Department of Education with
10 a statement by a certified public accountant confirming that
11 the private school desiring to participate is insured and the
12 owner or owners have sufficient capital or credit to operate
13 the school for the upcoming year serving the number of
14 students anticipated with expected revenues from tuition and
15 other sources that may be reasonably expected. In lieu of such
16 a statement, a surety bond or letter of credit for the amount
17 equal to the scholarship funds for any quarter may be filed
18 with the department.

19 (b) Notify the Department of Education of its intent
20 to participate in the program under this section. The notice
21 must specify the grade levels and services that the private
22 school has available for students with disabilities who are
23 participating in the scholarship program.

24 (c) Comply with the antidiscrimination provisions of
25 42 U.S.C. s. 2000d.

26 (d) Meet state and local health and safety laws and
27 codes.

28 (e) Be academically accountable to the parent for
29 meeting the educational needs of the student.

30 (f) Employ or contract with teachers who hold
31 baccalaureate or higher degrees, or have at least 3 years of

1 | teaching experience in public or private schools, or have
2 | special skills, knowledge, or expertise that qualifies them to
3 | provide instruction in subjects taught.

4 | (g) Comply with all state laws relating to general
5 | regulation of private schools.

6 | (h) Adhere to the tenets of its published disciplinary
7 | procedures prior to the expulsion of a scholarship student.

8 | (5) OBLIGATION OF PROGRAM PARTICIPANTS.--

9 | (a) A parent who applies for a John M. McKay
10 | Scholarship is exercising his or her parental option to place
11 | his or her child in a private school. The parent must select
12 | the private school and apply for the admission of his or her
13 | child.

14 | (b) The parent must have requested the scholarship at
15 | least 60 days prior to the date of the first scholarship
16 | payment.

17 | (c) Any student participating in the scholarship
18 | program must remain in attendance throughout the school year,
19 | unless excused by the school for illness or other good cause,
20 | and must comply fully with the school's code of conduct.

21 | (d) The parent of each student participating in the
22 | scholarship program must comply fully with the private
23 | school's parental involvement requirements, unless excused by
24 | the school for illness or other good cause.

25 | (e) If the parent requests that the student
26 | participating in the scholarship program take all statewide
27 | assessments required pursuant to s. 1008.22, the parent is
28 | responsible for transporting the student to the assessment
29 | site designated by the school district.

30 | (f) Upon receipt of a scholarship warrant, the parent
31 | to whom the warrant is made must restrictively endorse the

1 warrant to the private school for deposit into the account of
2 the private school.

3 (g) A participant who fails to comply with this
4 subsection forfeits the scholarship.

5 (6) SCHOLARSHIP FUNDING AND PAYMENT.--

6 (a)1. The maximum scholarship granted for an eligible
7 student with disabilities shall be a calculated amount
8 equivalent to the base student allocation in the Florida
9 Education Finance Program multiplied by the appropriate cost
10 factor for the educational program that would have been
11 provided for the student in the district school to which he or
12 she was assigned, multiplied by the district cost
13 differential.

14 2. In addition, a share of the guaranteed allocation
15 for exceptional students shall be determined and added to the
16 calculated amount. The calculation shall be based on the
17 methodology and the data used to calculate the guaranteed
18 allocation for exceptional students for each district in
19 chapter 2000-166, Laws of Florida. Except as provided in
20 subparagraph 3., the calculation shall be based on the
21 student's grade, matrix level of services, and the difference
22 between the 2000-2001 basic program and the appropriate level
23 of services cost factor, multiplied by the 2000-2001 base
24 student allocation and the 2000-2001 district cost
25 differential for the sending district. Also, the calculated
26 amount shall include the per-student share of supplemental
27 academic instruction funds, instructional materials funds,
28 technology funds, and other categorical funds as provided for
29 such purposes in the General Appropriations Act.

30 3. Until the school district completes the matrix
31 required by paragraph (3)(b), the calculation shall be based

1 on the matrix that assigns the student to support level I of
2 service as it existed prior to the 2000-2001 school year.
3 When the school district completes the matrix, the amount of
4 the payment shall be adjusted as needed.

5 (b) The amount of the John M. McKay Scholarship shall
6 be the calculated amount or the amount of the private school's
7 tuition and fees, whichever is less. The amount of any
8 assessment fee required by the participating private school
9 may be paid from the total amount of the scholarship.

10 (c) If the participating private school requires
11 partial payment of tuition prior to the start of the academic
12 year to reserve space for students admitted to the school,
13 that partial payment may be paid by the Department of
14 Education prior to the first quarterly payment of the year in
15 which the John M. McKay Scholarship is awarded, up to a
16 maximum of \$1,000, and deducted from subsequent scholarship
17 payments. If a student decides not to attend the participating
18 private school, the partial reservation payment must be
19 returned to the Department of Education by the participating
20 private school. There is a limit of one reservation payment
21 per student per year.

22 (d) The school district shall report all students who
23 are attending a private school under this program. The
24 students with disabilities attending private schools on John
25 M. McKay Scholarships shall be reported separately from other
26 students reported for purposes of the Florida Education
27 Finance Program.

28 (e) Following notification on July 1, September 1,
29 December 1, or February 1 of the number of program
30 participants, the Department of Education shall transfer, from
31 General Revenue funds only, the amount calculated under

1 paragraph (b) from the school district's total funding
2 entitlement under the Florida Education Finance Program and
3 from authorized categorical accounts to a separate account for
4 the scholarship program for quarterly disbursement to the
5 parents of participating students. When a student enters the
6 scholarship program, the Department of Education must receive
7 all documentation required for the student's participation,
8 including the private school's and student's fee schedules, at
9 least 30 days before the first quarterly scholarship payment
10 is made for the student. The Department of Education may not
11 make any retroactive payments.

12 (f) Upon proper documentation reviewed and approved by
13 the Department of Education, the Chief Financial Officer shall
14 make scholarship payments in four equal amounts no later than
15 September 1, November 1, February 1, and April 15 of each
16 academic year in which the scholarship is in force. The
17 initial payment shall be made after Department of Education
18 verification of admission acceptance, and subsequent payments
19 shall be made upon verification of continued enrollment and
20 attendance at the private school. Payment must be by
21 individual warrant made payable to the student's parent and
22 mailed by the Department of Education to the private school of
23 the parent's choice, and the parent shall restrictively
24 endorse the warrant to the private school for deposit into the
25 account of the private school.

26 (7) LIABILITY.--No liability shall arise on the part
27 of the state based on the award or use of a John M. McKay
28 Scholarship.

29 (8) RULES.--The State Board of Education shall adopt
30 rules pursuant to ss. 120.536(1) and 120.54 to administer this
31 section, including rules that school districts must use to

1 expedite the development of a matrix of services based on a
2 current individual education plan from another state or a
3 foreign country for a transferring student with a disability
4 who is a dependent child of a member of the United States
5 Armed Forces. The rules must identify the appropriate school
6 district personnel who must complete the matrix of services.
7 For purposes of these rules, a transferring student with a
8 disability is one who was previously enrolled as a student
9 with a disability in an out-of-state or an out-of-country
10 public or private school or agency program and who is
11 transferring from out of state or from a foreign country
12 pursuant to a parent's permanent change of station orders.
13 However, the inclusion of eligible private schools within
14 options available to Florida public school students does not
15 expand the regulatory authority of the state, its officers, or
16 any school district to impose any additional regulation of
17 private schools beyond those reasonably necessary to enforce
18 requirements expressly set forth in this section.

19 Section 11. This act shall take effect July 1, 2006.

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1 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
2 COMMITTEE SUBSTITUTE FOR
3 Senate Bill 2234

4 The committee substitute makes the following changes to the
5 underlying bill:

- 6 -- Revises definition of "qualified student" for purposes of
7 the existing Corporate Tax Credit Scholarship Program
8 (CTC) to provide eligibility for tuition vouchers for
9 students currently receiving opportunity scholarships
10 while the new Corporate Tax Credit Scholarship Program
11 for families of students attending failing schools is
12 implemented;
- 13 -- Makes eligibility for opportunity scholars to receive a
14 scholarship under the existing CTC subject to the new
15 matriculation policy of the new Corporate Tax Credit
16 Scholarship for families of students attending schools
17 failing to make adequate progress;
- 18 -- Provides for opportunity scholars to be equal in priority
19 to students already receiving CTC scholarships in the
20 awarding of CTC scholarships;
- 21 -- Corrects statutory cross-reference to new Corporate
22 Income Tax Trust Fund, which is created in a separate
23 bill.